

## Message Text

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71

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 FMC-04 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 CG-00 COA-02 DLOS-06 SS-20

NSC-10 DOTE-00 SCEM-02 SCI-06 INT-08 TRSE-00 PA-04

USIA-15 PRS-01 SPC-03 DRC-01 /121 W

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R 122025Z DEC 73

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC 9823

INFO AMEMBASSY BRASILIA

LIMITED OFFICIAL USE RIO DE JANEIRO 4574

E.O. 11652: N/A

TAGS: ETRN, ENRG, BR, US

SUBJECT: AVAILABILITY OF BUNKER FUELS

REF: (A) RIO 4489, (B) STATE 239796

1. LOCAL BELTA AND MORRE MCCORMACK REPS REPORT BUNKERING SITUATION DETERIORATING INTO SERIOUS PROBLEM. PETROBRAS REPORTEDLY WILL INSIST UPON COMPLETE RECIPROCITY FOR ITS BUNKER SALES TO FOREIGN VESSELS IN BRAZIL. IT PLANS TO ELIMINATE MINIMUM QUOTA OF 250 TONS REPORTED REF (A) AND TO SEEK RECIPROCAL ARRANGEMENT WITH U.S. SHIPPERS. UNDER TERMS OF SUCH AN AGREEMENT, U.S. SHIPPERS WOULD ALLOCATE PART OF THEIR FUEL PURCHASES IN U.S. TO BRAZILIAN VESSELS CALLING AT AMERICAN PORTS. PETROBROBRAS WOULD THEN PROVIDE AN EQUIVALENT AMOUNT OF FUEL TO U.S. VESSELS IN BRAZIL. FOR EXAMPLE, IF DELTA PUTCHASED 2,000 TONS OF FUEL AT NEW ORLEANS, IT COULD GIVE 1,000 TONS TO LLOYD. A DELTA SHIP COULD THEN OBTAIN 1,000 TONS IN RIO. BRAZIL HAS ALLEGEDLY MADE SUCH ARRANGEMENTS WITH OTHER NATIONS, E.G. ITALY AND PORTUGAL.

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2. PETROBRAS ADOPTING INCREASINGLY RESTRICTIVE POLICY IN

RESPONSE TO PRESSURE FROM BRAZILIAN SHIPPERS. LATTER ARE SAID TO BE HIGHLY DISTURBED BY THEIR INABILITY OBTAIN SUFFICIENT FUEL IN U.S. PETROBRAS OFFICIAL TOLD ONE AMERICAN COMPANY REP DEC 12 THAT 14 BRAZILIAN SHIPS ARE STRNDED IN U.S. PORTS FOR LACK OF BUNKERS. BRAZILIAN SHIPPERS MEETING AFTERNOON OF DEC 12 TO DISCUSS SITUATION.

3. AS REPORTED REF (A), DELTA SEEMS PARTICULARLY DISTURBED BY PETROBRAS BUNKER POLICIES. MOORE MCCORMACK APPARENTLY SOMEWHAT LESS BOTHERED; PARTIALLY BECAUSE IT HAS STANDING CONTRACTS WITH PETROBRAS. IT FEELS PETROBRAS WILL ATTEMPT FULFILL THESE CONTRACTS IN ABSENCE OF HIGHER LEVEL GOB DECISION TO CONTRARY.

4. LOCAL AMERICAN COMPANY REP CLAIMS U.S. PETROLEUM SUPPLIERS ESTIMATED BRAZILIAN BUNKER PROCUREMENT IN U.S. DURING FIRST NINE MONTHS OF 1973. COMPANIES THEN SUPPOSEDLY ALLOCATED SUPPLIES FOR REMAINDER OF YEAR, DEDUCTING TEN PERCENT FROM ESTIMATED NORMAL MONTHLY PROCUREMENT: ON THIS BASIS, BRAZILIAN VESSELS HAVE ALLEGEDLY EXHAUSTED THEIR QUOTAS FOR 1973. LOCAL REP OPINED THAT, IF TRUE, THIS POLICY MAY ACCOUNT FOR SHARP INCREASE IN BRAZILIAN SHIPS STRANDED IN U.S. AND FOR HARDENED PETROBRAS ATTITUDE. IN ANY CASE, LOCAL U.S. REPS URGE RAPID RESOLUTION OF SITUATION BEFORE IT DEVELOPS INTO MAJOR TRANSPORT CRISIS.  
BOONSTRA

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SHIPS, PETROLEUM, SUPPLIES, REFUELING, FUELING SYSTEMS, EMERGENCY PLANNING  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** smithrj  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** RIO DE JANEIRO  
**Handling Restrictions:** n/a  
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**TAGS:** ETRN, ENRG, BR, US  
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